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UNCLAS SECTION 01 OF 10 TOKYO 000343

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;  
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TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;  
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FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;  
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E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

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- (1) Okinawa alarmed at settling the Futenma relocation issue in defiance of its wishes; government shifting weight to a site within prefecture

ASAHI (Page 3) (Abridged)  
February 21, 2010

Akira Uchira, Tsukasa Kimura, and Atsushi Matsukawa

Chief Cabinet Secretary Hirofumi Hirano's Feb. 20 comment that the government might end up making a better choice (not the best choice) than the existing plan to relocate the U.S. Marine Corps' Futenma Air Station, now located in Ginowan, Okinawa Prefecture, is creating a stir. The reason is because Hirano's comment can be taken to mean that the government intends to pick a site within Okinawa. Okinawa is especially alarmed at the government and the ruling parties that are looking into such plans as relocating Futenma to the inland area of Camp Schwab in Nago in the prefecture and the continued use of the Futenma base. In his talks with Hirano, Okinawa Gov. Hirokazu Nakaima warned the government not to make a decision in defiance of local wishes.

With a bitter experience in mind Nakaima warned Hirano on Feb. 20.

Meeting the press after his talks with Hirano, Nakaima said regarding the process that led to Tokyo's decision in 2006 to relocate Futenma to the Henoko district in Nago: "I felt that Okinawa was forced to accept the central government's decision." Nakaima emphasized that the government should take Okinawa's wishes into full consideration before making a decision.

In 2006 then Okinawa Gov. Keiichi Inamine presented such conditions as a 15-year time limit on the use of a Futenma replacement facility and the joint military-civilian use of the new base. But none were accepted by Japan and the United States. People in Okinawa seethed with discontent and, in the end, disrupted an environmental impact assessment and other procedures.

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This time around the prospects are also poor that the government will give priority to local wishes. Seeking local consent will be the last step, according to a senior official of the Prime Minister's Official Residence (Kantei). Some in the Hatoyama administration have begun talking about the sequence of events to occur - monitoring Washington's reaction and then seeking the consent of the ruling parties and the affected municipalities. "No matter where the government decides to move the base, the candidate site opposes it," another Kantei official said. "Unless people of the candidate site oppose the plan tooth and nail, their wishes will not be reflected."

Some in the cabinet think relocation to the inland area of Camp Schwab, an existing U.S. military base, will not draw strong local objections. "When the U.S. Navy's Sobe Communications Site (commonly called the "elephant cage," in Yomitan Village) was moved to Camp Hansen (in Kin Town), there wasn't a major opposition movement," Defense Minister Toshimi Kitazawa said on Feb. 19. Nevertheless, it is inappropriate to compare an airfield, associated with noise and the danger of crashes, to a telecommunications site.

In response to Nakaima who said that it would be best if the Futenma base were relocated outside Okinawa, Hirano also said, "We are looking for the best option, but we might end up only making a better choice (than the existing plan)." Hirano's comment, which can be interpreted as the government's public indication that it may come up with a plan to relocate the Futenma facility within the prefecture, is certain to draw a strong backlash from the people in Okinawa.

Asked about Hirano's remarks by the press corps on Feb. 20, Prime Minister Yukio Hatoyama explained: "We will seek the best option, not a better one. The three ruling parties will cooperate in mapping out a plan that is acceptable to Okinawa and the United States."

(2) Anti-U.S. position of pro-U.S. advocates

MAINICHI (Page 2) (Full)  
Evening, February 18, 2010

Hidetoshi Kaneko, special editor

For some reason, both newspapers and TV stations adopt the viewpoint

of the prosecutors when reporting on Democratic Party of Japan (DPJ) Secretary General Ichiro Ozawa. While this is not surprising for reports on the investigation (into Ozawa's fund scandal), taking the same approach even in political reporting will result in losing sight of important points.

During a recent visit to Japan, U.S. Assistant Secretary of State Kurt Campbell, accompanied by Ambassador to Japan John Roos, paid a visit to the DPJ secretary general's office at the Diet. They met with Ozawa for one hour. While the substance of the conversation has not been revealed, the U.S. officials went home satisfied with this "good discussion."

After returning to the U.S., Campbell said that he asked Ozawa to visit Washington in May at the head of a DPJ delegation and also told him that he will make efforts to set up a meeting with President Barack Obama.

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The timing of this meeting is significant. This was two days before the Tokyo District Prosecutors Office made a formal decision on whether or not to indict Ozawa. If Ozawa had been prosecuted, this would have been a serious blunder detrimental to the U.S.'s credibility. It is also unthinkable that the Japanese prosecutors would leak (the decision on the indictment) to foreign diplomats ahead of time. Even if the U.S. side had had a sense from contacts with related sources, there was always the possibility of "what if." It must have been very risky for senior U.S. officials representing their government to meet with Ozawa at that stage. Yet, Campbell went to see Ozawa.

The relocation of the Futenma Air Station has been the sticking point in Japan-U.S. relations. The channel for negotiations is Foreign Minister Katsuya Okada. The coordinator on the Japanese side is Chief Cabinet Secretary Hirofumi Hirano. Prime Minister Yukio Hatoyama is the one who will make the final decision.

Yet, Campbell requested that the secretary general of the ruling party meet with the President. Ozawa has been invited to visit the U.S. in May, just at the time Prime Minister Hatoyama will be making his decision.

U.S. economic friction with China is intensifying, so the U.S. does not want to be in dispute with Japan over the Futenma issue.

Although Prime Minister Hatoyama said "trust me" last November, the present situation is such that the ruling coalition barely controls a majority in the House of Councillors. If the DPJ loses seats in the Upper House election in July, the Diet will not approve any relocation site the Prime Minister picks. President Obama is also one seat short of controlling a majority in the U.S. Senate. He understands this situation very well.

It is the job of the ruling party's secretary general to pass bills in the Diet. If the ruling parties lose control of a majority in the Upper House, some extraordinary political maneuvering, such as the realignment of the coalition government or a grand coalition with the Liberal Democratic Party, will be necessary. The U.S. has judged that Ozawa is the only person capable of doing that, so it placed its bets on him. That must have been how things looked from the U.S. standpoint.

Pro-U.S. newspapers advocating the importance of the Japan-U.S. alliance are now strongly demanding Ozawa's resignation as secretary general. This is a position that runs counter to the U.S.'s interest. Have they not overlooked this contradiction?

(3) "Kazamidori (Weathercock)" column: Did Mr. Campbell make a mistake in inviting Ozawa to visit U.S.?

NIKKEI (Page 2) (Full)  
February 21, 2010

Hisayoshi Ina, editorial staff member

It was probably a mistake U.S. Assistant Secretary of State (for East Asian and Pacific Affairs) Kurt Campbell made from impatience. I'm referring to his extending to Democratic Party of Japan (DPJ) Secretary General Ichiro Ozawa at a meeting with him at the Diet on Feb. 2 an invitation to visit the U.S. before prosecutors had decided whether or not to prosecute him over a money scandal.

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Campbell holds a position equivalent to the director general of the Asian Affairs Bureau of the Ministry of Foreign Affairs in Japan. Yet, when he comes to Tokyo, Foreign Minister Katsuya Okada meets him as if he were his U.S. counterpart. On this point, the Japan-U.S. relationship under the Hatoyama administration is far from "equal." For sure, there is significance in according Campbell special treatment so that Japanese circumstances are accurately understood. Yet it appears that the result is different than expected.

The Japan-U.S. relationship is strained over the Futenma issue. So it is natural to think that bringing around Japan's political kingpin, Ozawa, would be a shortcut to a solution. U.S. Ambassador to Japan Michael Armacost approached then Liberal Democratic Party Secretary General Ozawa for the same reason.

But if Campbell were an expert on Japan, he would have noticed the difference in Ozawa's position then and now. Opinion polls by various media organizations have shown that 70 percent of the people want Ozawa to resign as secretary general. This raises the question of Campbell's sensitivity to the gravity of this fact.

The media is also speculating that Ozawa may resign as secretary general before the House of Councillors election in July. Was Campbell unaware of this?

Last year, Ozawa resigned as DPJ president and took charge of the election campaign, bringing about the DPJ's victory in the House of Representatives election. At that time, the DPJ was an opposition party. Public opinion at present wants him to leave his position of power, both in name and reality. It now seems that a pro forma resignation like last year will no longer be sufficient.

If that is the case, even if Ozawa makes a visit to the U.S., which reportedly will take place in May, no agreement he concludes would have any teeth. This is because even if Ozawa is able to withstand the pressure of public opinion and cling to power after the visit, the legitimacy of any agreement would be questioned in Japan.

The opposition parties would criticize an Ozawa agreement with the U.S. as proof of his "control" of the Hatoyama administration. The Hatoyama administration can only refute that accusation in one of two ways:

One is to distance itself from the agreement on the grounds that an agreement reached between Mr. Ozawa and the U.S. is not an agreement between governments. The agreement would be a private one, and it would be politically difficult for the Japanese government to implement.

The other way is not to make the agreement public, keeping it secret. Neither would such an agreement be binding on the government, since Foreign Minister Okada abhors secret agreements ("they undermine the credibility of Japanese diplomacy").

Ozawa is concealing his true intentions, saying "policy consultations should take place between governments; the purpose (of the trip) is friendship and goodwill." He is asserting that even if he meets President Barack Obama, which would be nearly tantamount to a Japan-U.S. summit, policies will not be discussed.

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There was a similar case in the past. In September 1972, when Prime Minister Kakuei Tanaka went to China to normalize diplomatic

relations between Japan and China, he met Communist Party of China (CPC) Chairman Mao Zedong after he wrapped up negotiations with Premier Zhou Enlai. Mao started off the meeting by stating: "Are you done quarreling?" That remark seemed to reflect a condescending attitude toward Tanaka and Zhou.

Did Ozawa remind Campbell of the Chinese leader? Did he think that as a result of the change of administration, Japan is no longer ruled by the government and has shifted to a political regime similar to the CPC's rule of China?

The world was astounded by the unusually large delegation Ozawa led to China last December. His leading a similar delegation to Washington would probably revive the theory that Japan is a peculiar country.

If an Ozawa-Obama meeting fails to take place, Ozawa will increasingly lean toward China, and this will not be in the U.S.'s interest. Campbell's shift from "strategic patience" with Japan to requesting Ozawa's visit to the U.S. is understandable.

However, people in Japan, who are fed up with Ozawa and abandoning him, take a cynical view of this affair. By the way, Campbell's predecessor was Christopher Hill, who was known for bungling North Korean policy.

(4) DPJ Secretary General Ozawa's intention in "lecturing" U.S. Assistant Secretary of State Campbell

WEEKLY BUNSHUN (Page 50) (Full)  
February 25, 2010

The U.S. government, which has been troubled by its worsening relations with Japan, is trying to woo Democratic Party of Japan (DPJ) Secretary General Ichiro Ozawa, who has won his "last war" with the Tokyo District Public Prosecutors Office's special investigation team. The reason is because in order to settle the U.S. Marine Corps' Futenma relocation issue and other bilateral issues with Japan, the United States has no other option but to pin high hopes on Japan's most influential lawmaker who is known for his high-handed approach.

"The United States is considering a format (for a visit by Ozawa) in which the Senate Foreign Relations Committee will extend an invitation and talks will be held with Vice President Biden at the White House," a U.S. government source said. "It has been decided that President Obama will drop by and hold talks with him then."

This plan was mapped out by Assistant Secretary of State Kurt Campbell, who is responsible for East Asia, including Japan and China. Since sending Secretary of State Hillary Clinton to Japan last February, the Obama administration has been making moves to create communication channels to Japan, setting up talks with Ozawa, who was an opposition leader back then. It was decided that Ozawa would visit the United States during the Golden Week holiday period last year to hold talks with Secretary Clinton. But a meeting with President Obama was not set, and Ozawa's U.S. visit was called off as a result.

"Conversely, the U.S. side got the impression that Mr. Ozawa would

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visit the United States if he could hold talks with the President," a source familiar with Japan-U.S. relations explained. "It took one year to plan for the upcoming U.S. visit." The U.S. side has suggested Ozawa's U.S. visit because Japan-U.S. relations are taking a turn for the worse and being used as a political tool.

A Washington Post correspondent offered this view: "The Obama administration is struggling with sagging support ratings and is also expected to face an uphill battle in the upcoming midterm elections. Even former Alaska Gov. Sarah Palin, who was a Republican vice presidential candidate in the presidential race two years ago, began criticizing the Obama administration, saying, 'U.S.-Japan relations are in bad shape because the administration's foreign policy has failed.' The prevailing view in the United States is that

the relationship with Japan is so bad that even Sarah Palin, who is sexy and charismatic but is hopeless at foreign policy, has described it as the Obama administration's mistake.

The U.S. side pins high hopes on Ozawa, who helped open up the Japanese market through the liberalization of the construction market and telecommunications talks in the past. To Assistant Secretary of State Campbell, who invited him to visit the United States, Ozawa issued a warning, saying: "If an unstable situation occurs in Far East Asia, it will be nothing like the situation in Iraq, Iran, or Afghanistan. The United States should deal with the region more firmly." He also made a request about his meeting with President Obama, saying, "Please make sure that a sufficient amount of time is set aside." Will the talks take place at the Oval Office in accordance with Ozawa's intentions?

(5) Political scene - Power of DPJ: Ozawa style gains ground through battles

YOMIURI (Page 4) (Full)  
February 19, 2010

We were optimistic - an aid to Democratic Party of Japan (DPJ) Secretary General Ozawa's Ozawa made this comment, reflecting on the allegation Ozawa's political fund management body "Rikuzan-kai" violated the Political Funds Control Law in connection with a land purchase, in which three former secretaries of Ozawa were indicted. Ozawa was exempted from indictment.

The Tokyo District Public Prosecutors Office on Jan. 5 asked Ozawa to respond to voluntary questioning on the case. Ozawa told his aides on Jan. 9. "I have already submitted documents requested by public prosecutors. They are convinced. All that remains is to put the matter to rest." He had expected that the investigation would end with the submission of documents, such as bank account numbers recording resources used for the purchase of land. He had also fathomed that Lower House member Tomohiro Ishikawa could be indicted but without arrest. Ozawa's aides examined his submitting to questioning by prosecutors during the three-day holiday from Jan. 9 through 11. However, unable to fathom the prosecutors' aims, they postponed a decision. Ozawa's optimism was a further reason for their postponing a decision.

However, the Tokyo Public Prosecutors Office on Jan. 13 opened a criminal investigation into Rikuzan-kai for the first time since March last year. When he consulted with sources connected with Rikuzan-kai and his defense team, Ozawa explained: "The 400 million yen used for the purchase of the land in question includes my wife's

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money. I will also explain that at the party convention." His aides views were split between a hard-line stance -- that it would be a serious problem if public prosecutors indict (Mr. Ozawa), with one saying, "We should crack down on them" -- and a soft-line stance of calling on Ozawa to submit to questioning by public prosecutors, without stonewalling them. In the end, Ozawa determined to cooperate with the investigation and submit a written statement.

Ishikawa was arrested right after that. "I cannot believe this," Ozawa groaned. "I cannot possibly quit under these circumstances." Ozawa attended the DPJ Convention on Jan. 16, the following day, in a high emotional state. He skipped a sentence ("I am sorry that I have caused trouble and so much concern") in the text of his speech. He instead began, "The prospects for Japanese democracy are gloomy." The audience exploded with applause. A female Upper House member echoed Ozawa's stance, saying: "This is a total war between the bureaucracy and the DPJ administration, which represents the people."

However, Ozawa suddenly became discouraged. He said to his aides, "I have not broken the law. However, if a case were built against me, it would be the will of Heaven."

He submitted to questioning on Jan. 31, following questioning by prosecutors on Jan. 23. He was to hold a regular press conference on Feb. 1. Ozawa could not decide whether he should mention on that

occasion that his responsibility would be heavy if he were criminally charged. He consulted his attorneys. He was not confident that he would be exempted from indictment, as he said to his aides who hinted at the possibility of his being indicted, "Perhaps you are right."

Sandwiched between those who opposed his making such a statement, because it would be conveying an intention to step down to the anti-Ozawa group in the party, and those who supported his making such a statement, because it would reinforce the impression of his innocence, Ozawa in the end used the phrase "my own responsibility." Ozawa might have been confused about where supreme power lies.

Ozawa's stance that elections are all about (politics) is the flip side of a stance that an electoral victory confers carte blanche to do as one pleases. Some say that Ozawa does not know the meaning of the restrained use of power. He even declared (on Jan. 16) that he wanted to confront head on the way public prosecutors use their power as they did toward him. And yet when he turned defiant to public opinion seeking his resignation after public prosecutors decided not to indict him he hid behind their authority. He said (on Feb. 14), "An Impartial and fair investigation by public prosecutors has found that there were no irregularities." He possesses a versatility that allows him to use power as he pleases.

At a meeting the DPJ held on Feb. 14 in Kurume City, Fukuoka Prefecture, in the run-up to the Upper House election, Ozawa said: "We have no majority in the Upper House. We must eliminate major resistance in order to realize a stance that can be truly described as revolutionary." The words "eliminate resistance" indicate that he is honing his political stance through the fight against public prosecutors.

Concern that Ozawa's behavior will have a negative impact on the upcoming Upper House election is smoldering in the DPJ. However, their concern has not been manifest as overt criticism of Ozawa.

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Prime Minister Hatoyama recently said again he would restore the essence of the DPJ. However, asked to explain that essence, he evaded a reply, giving the abstract answer: "It's something like the clear-cut stance of the DPJ as an opposition party."

The Rikuzan-kai scandal has forced the DPJ to ask itself what is the proper way to exercise power. The DPJ has yet to find an answer to that question.

(6) Recommended plan to cut base workers' salaries up in the air

TOKYO SHIMBUN (Page 24) (Full)  
February 22, 2010

The government has decided to reduce the salaries of Japanese workers on U.S. military bases across the nation, including Yokosuka and Okinawa, given the nation's poor fiscal condition, but their salaries have been left unchanged. It is stipulated that base workers' salaries be set at the same level as national government employees and were scheduled to be slashed starting this January, based on a recommendation by the National Personnel Authority. But with no agreement from the U.S. military, the wage-cut plan has been left up in the air for two months.

Under the Japan-U.S. Status of Forces Agreement (SOFA), the U.S. military uses base workers and the Japanese government is the employer who pays their salaries. Both sides must agree to a change in the workers' wage structure.

In 1963, the Japanese government, the U.S. government, and All Japan Garrison Forces Labor Union (Zenchuro) agreed to set salaries for Japanese base workers at the same level as national government employees. It is stipulated that the wage system be revised based on a recommendation on public servants' salaries by the National Personnel Authority.

Comparing with the average wage level at private firms, the National Personnel Authority recommended last August that salaries and

bonuses for rank-and-file national civil service positions for fiscal 2009 be cut by 0.2 PERCENT and by an amount equivalent to 0.35 months' pay, respectively. The decreased portion was deducted starting from their winter bonuses paid on Dec. 10.

But since the day of bonus payment for base workers was Dec. 2, the procedures necessary for changing the wage system were not completed by that day. The Defense Ministry also intended to deduct the decreased portion -- about 60,000 yen on average -- from their salaries starting in January, but the government has failed to obtain agreement from the U.S. military. Both the Defense Ministry and the headquarters of the U.S. Forces in Japan have not explained why the negotiations are deadlocked, merely remarking that since this is a diplomatic issue, it is inappropriate to comment while negotiations are in progress.

A senior Zenchuro member grumbled: "Setting aside bonuses, if their monthly salaries are reduced by tens of thousands of yen, workers' morale will flag. I guess the U.S. military is worried about that possibility." The union member added: "The strained relations between Japan and the U.S. over the Futenma relocation issue might be behind the protracted negotiations over the wage issue."

(7) Japan-hosted APEC to get underway: Working-level meeting to

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start on Feb. 22

ASAHI (Page 11) (Full)  
February 20, 2010

A meeting of the Asia-Pacific Economic Cooperation forum (APEC) will be held in Japan after a hiatus of 15 years. The first senior working-level officials' meeting is set to be held in Hiroshima City on Feb. 22-23. This is the first official meeting leading up to the summit talks to be held in Yokohama City in mid-November. This year marks the Bogor Goal year of achieving the liberalization of trade in industrialized countries and areas, adopted in 1994. The APEC meeting in Japan will likely become a venue for member nations to search for a new goal.

Senior officials of Japan's Foreign Ministry and the Ministry of Economy, Trade and Industry (METI) will serve as the co-chairmen of the senior working-level meeting. Working-level officials responsible for economic and foreign affairs from various countries and areas will discuss issues to be taken up in a summit declaration.

Issues Japan envisages include assessing the achievement of the Bogor Goals. With focus on ten countries and areas in the region, it plans to submit a draft report noting that trade liberalization has been advanced as a whole, although efforts fell short of the commitments in some sectors, such as agriculture."

A stance of aiming at trade liberalization within the region had been dominant until the mid-1990s, when the Bogor Goals were set. However, with APEC itself losing its unifying force, as it was unable to come up with an effective means to deal with the Asian currency crisis, in 1997 and 1998, calls for liberalization have disappeared, as Waseda University Graduate School Professor Shujiro Urata explained.

Even after that APEC's major focus of attention continued to shift away from economics due to the Sept. 11, 2001, terrorist attacks on the US. As a result, the Bogor Goals will not be completely achieved by their target year of 2010.

In the meantime, economic measures have once again shot into the limelight since the financial crisis in 2008. Discussions for forging a fresh vision to succeed the Bogor Goals will likely make headway. The Japanese government has made growth strategy a key theme.

The Japanese government wants to put forward a common vision for the growth of both industrialized countries and areas, and developing countries and areas, citing the promotion of upgraded energy saving



and environmental policies, measures to help small- and medium-sized businesses enter foreign markets or introduce new technologies, and the standardization of intellectual property.

Free trade zone initiative likely to become topic of discussion

A potential region-wide Free Trade Area in the Asia Pacific, or FTAAP, will be defined as a framework for post-Bogor Goal trade liberalization.

The Japanese government in the outline of the Growth Strategy, which it formulated late last year, mentioned that the goal is to achieve

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FTAAP by 2020. As a stepping stone for the realization of the initiative, it sees the APEC meeting this year as a golden opportunity, according to a senior METI official.

While the future of the multilateral trade liberalization talks (Doha Round) under the World Trade Organization (WTO) is unclear, the signing of bilateral or multilateral free trade agreements is gaining momentum in the Asia-Pacific region as well. A senior Foreign Ministry official said: "The base for discussion on the free trade zone initiative is more consolidated than several years ago."

However, there already exist some free trade initiatives in the APEC region. Leadership struggles to realize FTAAP will likely become fierce.

In ASEAN plus three (Japan, China and South Korea) and ASEAN plus six (the further addition of India, Australia and New Zealand) it was confirmed last August that there will be a shift from private sector research to official inter-government talks.

In the meantime, the U.S. in 2008 proclaimed its decision to enter into talks with the Trans-Pacific Economic Strategic Partnership (TPP) formed by Singapore, New Zealand, Chile and Brunei. At present, Australia, Peru and Vietnam are also hoping to join. The first round of talks is to be held in March.

Hitotsubashi University Honorary Professor Ippei Yamasawa pointed out: "One possible way is for countries that can do so, such as Japan and South Korea, is to take part in discussions to enhance calls for trade liberalization in the region. The starting point of APEC is, after all, advancing trade liberalization, which is its major role."

ROOS